

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554**

In the Matter of)	
)	
Federal-State Joint Board on)	CC Docket No. 96-45
Universal Service)	

REPLY COMMENTS OF WORLDCOM, INC., D/B/A MCI

WorldCom, Inc., D/B/A, MCI¹ (“MCI”) submits these reply comments in the above-referenced proceeding regarding the definition of universal service.² MCI agrees with the majority of commenters that support the Joint Board’s recommendation to not add or remove any services from the definition of universal service at this time.

MCI agrees with commenters that argue that the universal service definition should not be expanded because no new service meets the statutory criteria in section 254(c) of the Act.³ MCI also agrees with the commenters emphasizing that the universal service support mechanisms cannot withstand the addition of any new services to be supported by universal service funds.⁴ Several commenters discuss what MCI and others have long-argued in this proceeding and the universal service contribution methodology

¹ As of April 14, 2003, WorldCom, Inc. began doing business as MCI.

² Notice of Proposed Rulemaking, *In the Matter of Federal-State Joint Board on Universal Service*, WC Docket 96-45, FCC 03-13, rel. Feb. 25, 2003.

³ *See, e.g.*, SBC Comments at 2-4; New York PSC Comments at 2-7; Dobson Communications Comments at 4-15; BellSouth Comments at 2. Section 254(c) requires that (1) the service is “essential” to education, public health, or public safety; (2) the service is subscribed to by a “substantial majority of residential customers;” (3) the service is being deployed in public telecommunications networks; and (4) the decision to support the service is in the public interest.

⁴ *See, e.g.*, Verizon Comments at 2; Sprint Comments at 2; AT&T Comments at 4; SBC Comments at 3-4.

proceeding -- that the current system is collapsing under the pressure of an increasing fund size and a declining revenue base and would not hold up under the addition of any new supported services. Accordingly, before the Commission considers the addition of any new services to the universal service definition, it should adopt a connections-based contribution methodology, which is a far more stable and sustainable contribution methodology than the current revenues-based system. But even if the Commission adopted a connections-based system today, MCI agrees with the Joint Board, as stated above, that no additional services – including advanced services,⁵ soft dial tone, pre-paid calling plans, and toll or expanded area services – currently meet the statutory requirements in section 254(c).

The Joint Board was unable to reach a consensus on whether equal access to interexchange service should be added to the definition. MCI agrees with the Joint Board members and commenters that maintain that as a legal and public policy matter equal access should not be added to the definition at this time.⁶

For the reasons discussed above, the Commission should adopt the Joint Board's recommendation to not add or remove any services to the current list of services supported by universal service.

⁵ See WorldCom Comments at 2-6. *See also* WorldCom Comments, *In the Matter of Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, filed Nov. 5, 2001; WorldCom Reply Comments, *In the Matter of Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, filed Jan. 4, 2002.

⁶ *See e.g.*, Florida PSC Comments at 6-7; New York PSC Comments at 6-7; Sprint Comments at 4-11; AT&T Comments at 6, n.18.

Respectfully submitted,

/s/

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April 28, 2003